



News Release

Attorney General Robert E. Cooper, Jr.

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CONTACT: Sharon Curtis-Flair (AG)
(615) 741-5860
Chris Garrett (TDCI)
(615) 741-8589

DAVIDSON COUNTY JUDGE ISSUES INJUNCTION AGAINST ELECTRONICS SELLER CONSUMER DEPOT AND ORDERS \$200,000 SET ASIDE FOR REMEDIES

At the request of Tennessee Attorney General Bob Cooper, the Davidson County Circuit Court issued an injunction on May 14, 2010 in a lawsuit against a local electronics seller, preventing it from misrepresenting products and requiring it to improve customer service. The company was also ordered to place \$200,000 into a court account to be used for consumer refunds and other monetary relief in the case.

Davidson County Circuit Court Judge Amanda McClendon approved an agreed injunction filed by the State of Tennessee in a consumer protection case against Nashville-based Consumer Depot, LLC, and its owners and operators Martin Fike, Carol Fike, Michael Hinds, and related entity Auction Logistix, LLC (Consumer Depot). The injunction was reached through an agreement between the State of Tennessee and Consumer Depot.

Earlier this year, Attorney General Cooper won the case against Consumer Depot through summary judgment after the State submitted more than 30 consumer affidavits describing first-hand accounts of unfair and deceptive business practices. Consumers complained the company, located at 3332 Powell Ave., misrepresented its products, refused to resolve complaints or give refunds, and retaliated against consumers who posted negative feedback against it on eBay.

The State of Tennessee filed suit in 2006, after complaint-handling entities, including the Division of Consumer Affairs and the Better Business Bureau, reported receiving hundreds of consumer complaints about Consumer Depot's business practices. The State added owners Martin and Carol Fike, manager Michael Hinds and related entity Auction Logistix, LLC to the lawsuit in 2007, after finding evidence they all actively participated in Consumer Depot's deceptive business conduct.

"We hope this court order serves as a reminder that Tennessee does not tolerate unfair or deceptive business practices, especially in today's difficult economy," said Attorney General Cooper.

"This ruling will provide powerful protection for consumers." said Mary Clement, Director of the Division of Consumer Affairs. "We encourage all consumers to contact Consumer Affairs any time they feel they've been treated unfairly by a business."

A hearing will be scheduled to resolve several remaining remedies issues in the case, including consumer restitution, civil penalties, costs, and attorney fees. The State of Tennessee will also determine whether it will seek to have Consumer Depot's business license revoked depending on how the defendants comply with the agreed injunction.

Consumer Depot and its owners and operators have done business under the following names (as well as others): Consumer Depot, Bargain Depot, Factory Dealz, Return Dealz, Surplus Dealz, bargaindepot04, Ubid-It, techgraveyard, surplusdealz05, swdiscounters, Mr-Appliance, Music-n-DVDs and Ubid-TN-01.

Consumers who believe they may have been harmed by Consumer Depot's business practices, or who have complaints about any consumer matter should go online at <http://www.tn.gov/consumer> or call the Division of Consumer Affairs at 615-741-4737 or toll-free in Tennessee at 1-800-342-8385.

The agreed injunction and other pleadings from the case can be found on the Attorney General's website at: <http://www.tn.gov/attorneygeneral/cases/consumerdepot/consumerdepot.html>.